

ASSESSMENT ENGINEER'S REPORT

Prepared for the

CITY OF SAN DIEGO

**Coronado View
Maintenance Assessment District**

Annual Update for Fiscal Year 2005

under the provisions of the

**San Diego Maintenance Assessment District Ordinance
of the San Diego Municipal Code**

and

**Landscape and Lighting Act of 1972
of the California Streets and Highways Code**

Prepared by

**BOYLE ENGINEERING CORPORATION
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May 2004

CITY OF SAN DIEGO

Mayor

Dick Murphy

City Council Members

Scott Peters District 1	Brian Maienschein District 5
Michael Zucchet District 2	Donna Frye District 6
Toni Atkins District 3	Jim Madaffer District 7
Charles Lewis District 4	Ralph Inzunza, Jr. District 8

City Manager

P. Lamont Ewell

City Attorney

Casey Gwinn

City Clerk

Charles G. Abdelnour

City Engineer

Frank Belock

Assessment Engineer

Boyle Engineering Corporation

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Assessment Engineer's Report

Coronado View

Maintenance Assessment District

Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), in connection with the proceedings for the CORONADO VIEW MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), BOYLE ENGINEERING CORPORATION, as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. _____ ,
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE
_____ DAY OF _____, 2004.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Executive Summary

Project: Coronado View
 Maintenance Assessment District

Apportionment Method: Equivalent Benefit Unit (EBU)

	FY 2004	FY 2005 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	116	116	--
Total Estimated Assessment:	\$18,757	\$18,757	--
Total Number of EBUs:	116.00	116.00	--
Assessment per EBU:	\$161.70	\$161.70	\$167.12 ⁽³⁾

⁽¹⁾ FY 2005 is the City's Fiscal Year 2005, which begins July 1, 2004 and ends June 30, 2005. Total Parcels Assessed, Total Estimated Assessment, and Total Number of EBUs may vary from prior fiscal year values due to parcel changes and/or land use re-classifications.

⁽²⁾ Maximum Authorized annual amounts subject to cost indexing provisions as set forth in this Assessment Engineer's Report.

⁽³⁾ FY 2004 maximum authorized annual assessment increased by cost indexing factor of 3.35%.

Proposition 218 Compliance: The District, originally formed in July 1983, was re-engineered in Fiscal Year 1998 for compliance with Proposition 218. By a ballot proceeding, majority property owners (69.77% of the weighted vote) approved Fiscal Year 1998 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing.

Annual Cost Indexing: An increase of assessments, under authority of annual cost indexing provisions, is required for Fiscal Year 2005.

Bonds: No bonds will be issued in connection with this District.

Background

Following a majority owner petition pursuant to the Landscape and Lighting Act of 1972, the City of San Diego (City) initiated proceedings and formed the Coronado View Maintenance Assessment District (District) by resolution number R-258954 on July 26, 1983. The improvements comprising the District, made in accordance with the San Diego Maintenance Assessment District Procedural Ordinance, consist of: (1) maintaining sloped area adjacent to the street rights-of-way along 60th Street from Federal Boulevard to Tooley Street which are landscaped with ground cover, trees and shrubs; and (2) maintaining street gutters. The purpose of the District was, and still is, to provide for the maintenance of these improvements.

The District was re-engineered in Fiscal Year 1998 for compliance with Proposition 218. By a mail ballot proceeding, property owners approved the re-engineering with 69.77% of weighted votes supporting the proposed assessments. Over 37% of property owners responded to the mail ballot.

The Assessment Engineer's Report, preliminarily accepted by Resolution Number R-289113 in August 1997, proposed Fiscal Year 1998 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing of the maximum authorized assessments. The Assessment Engineer's Report was approved and assessments confirmed by Resolution Number R-289386 in Fiscal Year 1998.

District Proceedings for Fiscal Year 2005

This District is authorized and administered under the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance of 1986" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are

hereinafter referred to collectively as "Assessment Law"). This report has been prepared in compliance with Assessment Law.

The purpose of the proposed proceedings and this Assessment Engineer's Report is to update the District budget and assessments for Fiscal Year 2005. The Fiscal Year 2005 assessments proposed within this Assessment Engineer's Report do not represent an increase over those assessments previously approved by property owners. Therefore, the requirements of Section 4 of Article XIID do not apply to these proceedings.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levying of the proposed assessments.

Bond Declaration

No bonds will be issued in connection with this District.

District Boundary

The Boundary Map and Assessment Diagram for the Coronado View Maintenance Assessment District are on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference are made a part of this report. A reduced copy of the Boundary Map is shown in Exhibit A.

Empire Addition Subdivision

The Empire Addition Subdivision includes those properties east of 60th Street, adjacent to the open space parcel being maintained by the District. For reasons described below, these properties do not benefit from the District improvements in any manner that warrants an apportionment of maintenance costs.

Due to local topography, the parcels within the Empire Addition Subdivision do not directly view the slope, nor do they receive any enhanced viewshed. Though these parcels receive some degree of lateral support from the slope being maintained by the District, such support is their right by ownership. In general, prevention of erosion and slope stability is the responsibility of the owner of the slope. In

this case, the slope was created to enable subdivision and development of Coronado View. For this reason, Coronado View receives benefit by maintaining the slope and thus reducing potential liability associated with slope erosion or failure.

The Empire Addition Subdivision is excluded from the boundary of the District. Only parcels within Coronado View have been assessed for the reasons stated above.

Project Description

The “project” to be funded by the proposed assessments is the maintenance of approximately 43,560 square feet of slopes adjacent to the right-of-way of 60th Street, which are landscaped with ground cover, trees and shrubs, and 1,400 square feet of gutters. The location of the improvements being maintained by the District are depicted in Exhibit A. Maintenance activities include, but are not limited to, collection and disposal of fallen branches and trees, tree and bush trimming, weeding, erosion control, gutter cleaning, and ongoing inspection and repairs.

The engineering drawings for the improvements maintained by the District are on file at Map Records in the City Engineer’s office and are incorporated herein. The specifications for the maintenance to be performed are contained in City Contract Number L3251/00 which is incorporated herein by reference and are on file with the City Clerk and the Park and Recreation Department and are available for public inspection during normal business hours.

Separation of General and Special Benefits

Consistent with City policy for the public at large, the City will provide the District with annual contributions from the Gas Tax Fund for median maintenance (18.6¢ per square foot of landscaped median and 1.34¢ per square foot of hardscaped median) and from the Environmental Growth Fund for open space maintenance (\$26.63 per acre). These allocations are considered to be a “general benefit” to the District. All other maintenance, operation, and administrative costs, which exceed the City’s contribution to the public at large, are “special benefits” to the District. At this time, there is no open space areas, nor landscaped medians within the District.

Estimated Costs

Estimated Fiscal Year 2005 annual expenses, revenues, reserves, and assessments (provided by the City) are included as Exhibit B hereto.

Annual Cost Indexing

With the passage of Proposition 218, any proposed increase in assessments must be placed for approval before the property owners by a mail ballot and a public hearing process, similar to these proceedings. A majority of ballots received must be affirmative for the City Council to confirm and levy the increased assessments. For small assessment districts or districts with relatively low dollar assessments, the cost of an engineer's report, balloting, and the public hearing process can potentially exceed the total cost of the increase. These incidental costs of the proceedings can be added to the assessments, resulting in even higher assessments.

Indexing assessments annually to the San Diego Consumer Price Index for Urban Consumers (SDCPI-U), as approved by the District property owners in Fiscal Year 1998, allows for minor increases for normal maintenance and operating cost escalation without incurring the costs of the Proposition 218 ballot proceedings. Any significant change in the assessment initiated by an increase in service provided or other significant changes to the District would still require the Proposition 218 proceedings and property owner approval.

For example, if the assessment for the current fiscal year was \$100.00 per benefit unit and the published SDCPI-U for the year was 2.0%, the assessment for the subsequent fiscal year could be increased to a maximum amount of \$102.00 per benefit unit without a vote of the District.

The maximum authorized assessment established in the Fiscal Year 1998 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U. Fiscal Year 1999 was the first year authorized for such indexing. It has been determined that an increase of assessments, as authorized by the cost indexing provisions, is required for Fiscal Year 2005.

Method of Apportionment

Estimated Benefit of Improvements

All benefits assessed to the District are special to this District and are distinct from other parcels as to the level of services received from the City.

Creation of the open space, which is maintained by this District, was required in order to allow the community to be developed in its current location, within the slopes and topography of the area. The maintenance of this open space parcel, including cleaning of the adjacent street gutter, benefits the District by maintaining its functionality, improving the aesthetics of the community, controlling erosion, and preventing degradation of the community which would result if the open space parcel and gutters were neglected.

Apportionment Methodology

The total cost for maintenance of the improvements funded by the District will be assessed to the various parcels in proportion to the estimated Equivalent Benefit Units (EBUs) assigned a parcel in relationship to the total EBUs of all the parcels in the District. All the parcels (single family homes) are estimated to benefit equally and are all assigned an EBU of one (1).

Summary Results

The Boundary Map for the District is shown in Exhibit A.

An estimate of the maintenance costs associated with District improvements is shown in Exhibit B.

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the EBUs and Fiscal Year 2005 District assessment for each parcel were calculated and are shown in the Assessment Roll (Exhibit C).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2005 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

BOYLE ENGINEERING CORPORATION

Eugene F. Shank, PE

C 52792

David R. Spencer, EIT

CA 109078

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the ____ day of _____, 2004.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

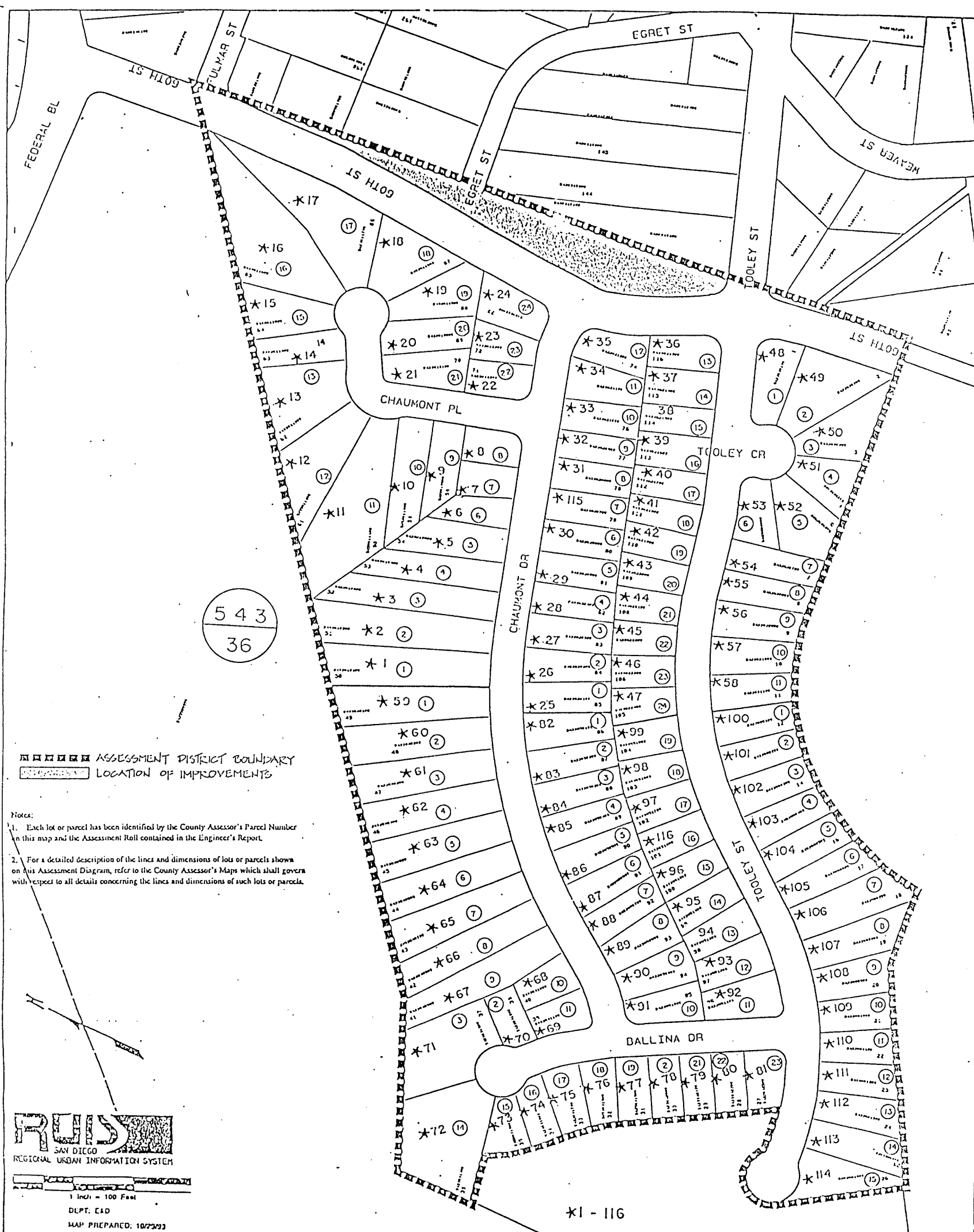
I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the ____ day of _____, 2004.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram was recorded in my office on the ____ day of _____, 2004.

SUPERINTENDENT OF STREETS
CITY OF SAN DIEGO
STATE OF CALIFORNIA

EXHIBIT A



CITY OF SAN DIEGO

W.O. NO. 133213 DATE. 10/93

CORONADO VIEW

Landscape Maintenance District

CORONADO VIEW Maintenance Assessment District

EXHIBIT A

EXHIBIT B

EXHIBIT B - Estimated Annual Expenses, Revenues & Reserves

Coronado View Maintenance Assessment District

	FY 2003 ESTIMATE	FY 2004 ESTIMATE	FY 2005 PROPOSED
BEGINNING BALANCE AND RESERVE			
Beginning Balance	\$ 2,946	\$ 10,244	\$ 12,914
Prior Year Encumbrances	\$ 1,918	\$ -	\$ -
TOTAL BALANCE	\$ 4,864	\$ 10,244	\$ 12,914
REVENUE			
Assessments	\$ 18,189	\$ 18,757	\$ 18,757
Interest	\$ 223	\$ 199	\$ 199
Environmental Growth Fund	\$ -	\$ -	\$ -
Gas Tax Fund	\$ -	\$ -	\$ -
General Fund	\$ -	\$ -	\$ -
Miscellaneous	\$ 92	\$ -	\$ -
TOTAL REVENUE	\$ 18,504	\$ 18,956	\$ 18,956
TOTAL BALANCE AND REVENUE	\$ 23,368	\$ 29,200	\$ 31,870
EXPENSE			
CAPITAL IMPROVEMENTS PROGRAM	\$ -	\$ -	\$ -
OPERATING EXPENSE			
Personnel	\$ 1,107	\$ 2,205	\$ 2,393
Contractual	\$ 6,512	\$ 7,891	\$ 8,680
Incidental	\$ 1,877	\$ 2,288	\$ 2,167
Utilities	\$ 3,628	\$ 3,902	\$ 4,137
TOTAL OPERATING EXPENSE	\$ 13,124	\$ 16,286	\$ 17,377
TOTAL EXPENSE	\$ 13,124	\$ 16,286	\$ 17,377
RESERVE			
Contingency Reserve	\$ -	\$ -	\$ 14,493
TOTAL RESERVE	\$ -	\$ -	\$ 14,493
BALANCE	\$ 10,244	\$ 12,914	\$ -
TOTAL EXPENSE, RESERVE AND BALANCE	\$ 23,368	\$ 29,200	\$ 31,870

EXHIBIT C

Due to the size of the Assessment Roll (Exhibit C), only limited copies are available. Please contact the City of San Diego, Park & Recreation Department, Open Space Division, Maintenance Assessment Districts Program at (619) 685-1350 to review the Assessment Roll.